## SECOND REGULAR SESSION

## SENATE BILL NO. 610

## 93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Pre-filed December 1, 2005, and ordered printed.

AN ACT

TERRY L. SPIELER, Secretary.

To repeal section 33.103, RSMo, and to enact in lieu thereof two new sections relating to employee labor organizations.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 33.103, RSMo, is repealed and two new sections

- 2 enacted in lieu thereof, to be known as sections 33.103 and 105.504, to read as
- 3 follows:

3282S.02I

- 33.103. 1. Whenever the employees of any state department, division or
- 2 agency establish any voluntary retirement plan, or participate in any group
- 3 hospital service plan, group life insurance plan, medical service plan or other
- 4 such plan, or if they are members of an employee collective bargaining
- 5 organization, or if they participate in a group plan for uniform rental, the
- 6 commissioner of administration may deduct from such employees' compensation
- 7 warrants the amount necessary for each employee's participation in the plan or
- 8 collective bargaining dues, provided that such dues deductions shall be made only
- 9 from those individuals agreeing to such deductions. Before such deductions are
- 10 made, the person in charge of the department, division or agency shall file with
- 11 the commissioner of administration an authorization showing the names of
- 12 participating employees, the amount to be deducted from each such employee's
- 13 compensation, and the agent authorized to receive the deducted amounts. The
- 14 amount deducted shall be paid to the authorized agent in the amount of the total
- 15 deductions by a warrant issued as provided by law.
- 16 2. The commissioner of administration may, in the same manner, deduct
- 17 from any state employee's compensation warrant:
- 18 (1) Any amount authorized by the employee for the purchase of shares in
- 19 a state employees' credit union in Missouri;

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- 20 (2) Any amount authorized by the employee for contribution to a fund 21 resulting from a united, joint community-wide solicitation or to a fund resulting 22 from a nationwide solicitation by charities rendering services or otherwise 23 fulfilling charitable purposes if the fund is administered in a manner requiring 24 public accountability and public participation in policy decisions;
- 25 (3) Any amount authorized by the employee for the payment of dues in an 26 employee association;
  - (4) Any amount determined to be owed by the employee to the state in accordance with guidelines established by the commissioner of administration which shall include notice to the employee and an appeal process;
  - (5) Any amount voluntarily assigned by the employee for payment of child support obligations determined pursuant to chapter 452 or 454, RSMo; and
- 32 (6) Any amount authorized by the employee for contributions to any 33 "qualified state tuition program" pursuant to Section 529 of the Internal Revenue 34 Code of 1986, as amended, sponsored by the state of Missouri.
  - 3. The commissioner of administration may establish a cafeteria plan in accordance with Section 125 of Title 26 United States Code for state employees. The commissioner of administration must file a written plan document to be filed in accordance with chapter 536, RSMo. Employees must be furnished with a summary plan description one hundred twenty days prior to the effective date of the plan. In connection with such plans, the commissioner may:
  - (1) Include as an option in the plan any employee benefit, otherwise available to state employees, administered by a statutorily created retirement system;
  - (2) Provide and administer, or select companies on the basis of competitive bids or proposals to provide or administer, any group insurance, or other plan which may be included as part of a cafeteria plan, provided such plan is not duplicative of any other plan, otherwise available to state employees, administered by a statutorily created retirement system;
- (3) Include as an option in the plan any other product eligible under Section 125 of Title 26 of the United States Code, subject to regulations promulgated by the office of administration, and including payment to the state by vendors providing those products for the cost of administering those deductions, as set by the office of administration; and
- 54 (4) Reduce each participating employee's compensation warrant by the 55 amount necessary for each employee's participation in the cafeteria plan, provided

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that such salary reduction shall be made only with respect to those individuals agreeing to such reduction. No such reduction in salary for the purpose of participation in a cafeteria plan shall have the effect of reducing the compensation amount used in calculating the state employee's retirement benefit under a statutorily created retirement system or reducing the compensation amount used in calculating the state employee's compensation or wages for purposes of any workers' compensation claim governed by chapter 287, RSMo.

- 4. Employees may authorize deductions as provided in this section in writing or by electronic enrollment, except for authorization for deductions to be paid to a public labor organization, which shall only be made in writing under section 105.504, RSMo.
- public employee for the purposes of paying any portion of dues, agency shop fees, or any other fees paid by members of a labor organization, or individuals who are not members except upon the written authorization of the member, or individual who is not a member, received within the previous twelve months on a form described by subsection 2 of this section.
- 2. The authorization referred to in subsection 1 of this section shall be made on the following form, the sole purpose of which is the documentation of such authorization. The form's title shall read, in at least twenty-four point bold type, "Consent for Withholding Union Dues/Fees" and shall state in at least fourteen-point bold type, the following specific text:
- "Signing this form authorizes the amount of \$\_\_\_\_\_ to be withheld from your monthly earnings and allocated to your labor organization during the next twelve months as a portion of your dues, agency shop fees, or other fee payments. You are not obligated to sign this authorization. Your signature below is completely voluntary and cannot in any way affect your employment."
  - 3. No public labor organization shall use or obtain any portion of dues, agency shop fees, or any other fees paid by members of the labor organization, or individuals who are not members, to make contributions or expenditures except upon the written authorization of the member, or individual who is not a member, received within the previous twelve months on a form described by subsection 4 of this section signed by the member or nonmember and an officer of the

27 union.

- 28 4. The authorization referred to in subsection 3 of this section
- 29 shall be made on the following form, the sole purpose of which is the
- 30 documentation of such authorization. The form's title shall read, in at
- 31 least twenty-four point bold type, "Consent for Political Use of
- 32 Dues/Fees" and shall state in at least fourteen point bold type, the
- 33 following specific text:
- 34 "Signing this form authorizes your union to use the amount of \$\_\_\_\_\_
- 35 from each of your dues or agency shop fee payments during the next
- B6 twelve months as a political contribution or expenditure.  $\square$
- 37 "Signing this form requests your union to make a deduction of \$\_\_\_\_
- 38 from each of your dues or agency shop fee payments during the next
- 39 twelve months as a political contribution to the (name of the
- 40 committee).  $\square$
- 41 Check applicable box.
- 42 You are not obligated to sign this authorization. Your signature below
- 43 is completely voluntary and cannot in any way affect your
- 44 employment."
- 5. Any public employee labor organization that uses any portion
- 46 of dues, agency shop fees, or other fees to make contributions or
- 47 expenditures under subsection 3 of this section shall maintain records
- 48 that include a copy of each authorization obtained under subsections
- 49 2 and 4 of this section, the amounts and dates funds were actually
- 50 withheld, the amounts and dates funds were transferred to a
- 51 committee, and the committee to which the funds were
- 52 transferred. Records maintained under this subsection shall not
- 53 include the employee's home address or telephone number.
- 6. Copies of all records maintained under subsection 5 of this
- 55 section shall be sent to the labor and industrial relations commission,
- 56 established under section 268.005, RSMo.
- 57 7. Individuals who do not authorize contributions or
- 58 expenditures under subsection 3 of this section may not have their
- 59 dues, agency shop fees, or other fees increased in lieu of contribution
- 60 or expenditure.
- 8. The requirements of this section may not be waived by the
- 62 member or individual and waiver of the requirements shall not be made

63 a condition of employment or continued employment.

9. Signing or refraining from signing the authorizations referred to in subsections 2 or 4 of this section shall not be made a condition of employment or continued employment.

10. In exchange for trouble and expenses in administering the withholding and transferring of funds to the public labor organization, the office of administration shall deduct, from the withheld amount, a fee consisting of the greater of eight dollars or two percent of the amount authorized by the employee for deduction. The employee shall be deemed to have paid to the public labor organization the entire amount authorized under subsection 2 of this section as a portion of dues, agency shop fees, or any other fees. The public labor organization shall not, in any manner, attempt to recoup the administration fee from any employee.

11. For the purposes of this section "agency shop" means an arrangement that requires an employee, as a condition of continued employment, either to join the recognized employee organization, or to pay the organization a service fee.

12. For the purposes of this section, "public labor organization" includes any organization which exists and is constituted for the purpose, in whole or in part, of collective bargaining or dealing with public employers concerning grievances, terms, or conditions of employment, or of other mutual aid or protection.

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